

**COMMUNITY MENTAL HEALTH & RECOVERY
BOARD OF LICKING & KNOX COUNTIES**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2003



**Auditor of State
Betty Montgomery**

Board Members
Community Mental Health & Recovery Board of Licking and Knox Counties
1435 B West Main Street
Newark, Ohio 43055

We have reviewed the Independent Auditor's Report of the Community Mental Health & Recovery Board of Licking and Knox Counties, prepared by Wilson, Shannon & Snow, Inc., for the audit period January 1, 2003 through December 31, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Community Mental Health & Recovery Board of Licking and Knox Counties is responsible for compliance with these laws and regulations.

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

June 3, 2004

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**COMMUNITY MENTAL HEALTH AND RECOVERY BOARD
LICKING AND KNOX COUNTIES**

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REPORT OF INDEPENDENT ACCOUNTANTS

Board Members
Community Mental Health and Recovery Board
Licking and Knox Counties
1435-B West Main Street
Newark Ohio, 43055

We have audited the accompanying financial statements of the Community Mental Health and Recovery Board, Licking and Knox Counties, Ohio (the Board) as of and for the year ended December 31, 2003. These financial statements are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the Board prepares its financial statements on the basis of accounting prescribed or permitted by the Auditor of State, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fund cash balances and reserve for encumbrances of the Community Mental Health and Recovery Board, Licking and Knox Counties, as of December 31, 2003, and its cash receipts and disbursements for the year then ended on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2004 on our consideration of the Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Board taken as a whole. The accompanying schedule of federal awards expenditures is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Wilson, Shannon & Snow, Inc.

CERTIFIED PUBLIC ACCOUNTANTS
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Community Mental Health and Recovery Board
Licking and Knox Counties
Independent Accountant's Report
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This report is intended solely for the information and use of the finance committee, management, the Board and other officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

Wilson, Shuman & Snow, Inc.

April 26, 2004
Newark, Ohio

**COMMUNITY MENTAL HEALTH AND RECOVERY BOARD
LICKING AND KNOX COUNTIES**

**STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Capital Projects</u>	
Cash Receipts:			
Taxes	\$ 2,889,093	\$ -	\$ 2,889,093
Intergovernmental	10,050,347	-	10,050,347
Total Cash Receipts	12,939,440	-	12,939,440
Cash Disbursements:			
Current:			
Salaries	377,288	-	377,288
Supplies	7,247	-	7,247
Equipment	10,457	-	10,457
Contracts - System	35,558	-	35,558
Contracts - Services	10,309,824	-	10,309,824
Contracts - Projects	-	12,286	12,286
Unemployment	5,252	-	5,252
Grants	133,663	-	133,663
Medicare	5,077	-	5,077
Rentals	22,938	-	22,938
Travel	7,490	-	7,490
Public Employee's Retirement	50,241	-	50,241
Worker's Compensation	2,248	-	2,248
Hospitalization	36,562	-	36,562
Utilities	16,442	-	16,442
Printing/Marketing	44,685	-	44,685
Medicaid Out of County Services	585,262	-	585,262
Private Hospital/Detox	47,775	-	47,775
Professional Services	297,310	-	297,310
Other	509,199	-	509,199
Total Disbursements	12,504,518	12,286	12,516,804
Total Receipts Over Disbursements	434,922	(12,286)	422,636
Other Financing Receipts			
Reimbursements	60,574	-	60,574
Total Other Financing Receipts	60,574	-	60,574
Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Disbursements	495,496	(12,286)	483,210
Fund Cash Balances, January 1, 2003	4,176,148	430,200	4,606,348
Fund Cash Balances, December 31, 2003	\$ 4,671,644	\$ 417,914	\$ 5,089,558
Reserves for Encumbrances, December 31, 2003	\$ 266,157	\$ -	\$ 266,157

The notes to the financial statements are an integral part of this statement.

**COMMUNITY MENTAL HEALTH AND RECOVERY BOARD
LICKING AND KNOX COUNTIES**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Entity

The Community Mental Health and Recovery Board, Licking and Knox Counties, Ohio (the Board) is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The Board is made up of eighteen members and provides alcohol, drug addiction, and mental health services and programs to citizens of Knox and Licking counties. These services are provided primarily through contracts with private and public agencies.

The Licking County Auditor serves as fiscal agent for the Board.

The Board's management believes these financial statements present all activities for which the Board is financially accountable.

B. Basis of Accounting

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

C. Cash

As required by Ohio Revised Code, the Board's cash is held by the Licking County Treasurer, who acts as custodian for the Board's money. The Board's assets are held in the County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount.

D. Fund Accounting

The Board uses fund accounting to segregate cash and investments that are restricted as to use. The Board classifies its funds into the following types:

General Fund

The General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**COMMUNITY MENTAL HEALTH AND RECOVERY BOARD
LICKING AND KNOX COUNTIES**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003
(Continued)**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Fund Accounting (Continued)

Capital Project Fund

These funds are used to account for receipts that are restricted for the acquisition or construction of major capital projects (except those financed through trust funds). The Board had the following significant Capital Project Fund:

River Valley Fund – This fund is used for the expansion of the existing River Valley facility.

E. Budgetary Process

The Ohio Revised Code requires that each fund be budgeted annually.

Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year-end.

Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

Encumbrances

The Ohio Revised Code requires the Board to reserve (encumber) appropriations when commitments are made. Encumbrances outstanding at year-end are carried over, and need not be reappropriated.

A summary of 2003 budgetary activity appears in Note 2.

F. Property, Plant and Equipment

Acquisitions of property, plant and equipment are recorded as disbursements when paid. These items are not reflected as assets on the accompanying financial statements.

G. Unpaid Vacation and Sick Leave

Employees are entitled to cash payments for unused vacation upon separation of services and sick leave upon retirement. Unpaid vacation and sick leave are not reflected as liabilities under the basis of accounting used by the Board.

**COMMUNITY MENTAL HEALTH AND RECOVERY BOARD
LICKING AND KNOX COUNTIES**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003
(Continued)**

2. BUDGETARY ACTIVITY

Budgetary activity for the year ended December 31, 2003 follows:

2003 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$12,574,151	\$13,000,014	\$425,863
Capital Projects	-	-	-
Total	\$12,574,151	\$13,000,014	\$425,863

2003 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$14,146,530	\$12,770,675	\$1,375,855
Capital Projects	430,200	12,286	417,914
Total	\$14,576,730	\$12,782,961	\$1,793,769

3. PROPERTY TAX

Real property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by the Board. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the respective County.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The applicable County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Board.

4. RETIREMENT SYSTEMS

The Board's employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

**COMMUNITY MENTAL HEALTH AND RECOVERY BOARD
LICKING AND KNOX COUNTIES**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003
(Continued)**

4. RETIREMENT SYSTEMS (Continued)

Contribution rates are also prescribed by the Ohio Revised Code. For 2003, PERS members contributed 8.5% of their gross salaries. The Board contributed an amount equal to 13.55% of participants' gross salaries. The Board has paid all contributions required through December 31, 2003.

5. RISK MANAGEMENT

The Board has obtained commercial insurance for the following risks:

- Comprehensive property and general liability
- Errors and omissions

The Board also provides health insurance and dental and vision coverage to full-time employees through a private carrier.

6. CONTINGENT LIABILITIES

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

7. DEBT

The changes in the Board's debt during fiscal year 2003 were as follows:

Balance at 12/31/02	\$	428,038
Payments during 2003		12,438
Balance at 12/31/03	\$	415,600

Principal requirements to retire the aforementioned mortgages with the Ohio Department of Mental Health (ODMH) are as follows:

		Payments
2004	\$	12,438
2005		12,438
2006		12,438
2007		12,438
2008		12,438
2009-2013		62,188
2014-2018		62,188
2019-2023		62,188
2024-2028		62,188
2029-2033		62,188
2034-2038		37,300
2039-2041		5,170
	\$	415,600

The Board has three mortgages with ODMH for The Main Place and River Valley facilities. The terms of the mortgages are 40 year loans with fixed amount annual payments that are paid to ODMH through reduction payments reimbursed to the Board.

**COMMUNITY MENTAL HEALTH AND RECOVERY BOARD
LICKING AND KNOX COUNTIES**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2003
(Continued)**

8. RELATED PARTY TRANSACTIONS

The Board has allowed The Main Place, a provider agency of the Board, to use a building free of rent since September 1986. The Board has allowed the River Valley facility to use a building free of rent since November 1995. River Valley is a resident complex that Moundbuilders Guidance Center, a provider agency of the Board, uses to house program participants.

9. SUBSEQUENT EVENTS

A. Prior to 2003, the Board loaned monies to provider agencies to remedy cash flow problems. However, in March 2004 the Board changed this policy to comply with Ohio law, and any subsequent monies to provider agencies will be considered advances or grants. Repayment plans were also implemented in 2004. Balances owed to the Board as of December 31, 2003 are as follows:

<u>Agency</u>	<u>Balance at 12/31/2002</u>	<u>Loans Made 2003</u>	<u>Payments Received 2003</u>	<u>Balance at 12/31/2003</u>
Spencer House	\$ 25,000	\$ -	\$ -	\$ 25,000
Pathways	100,000	-	-	100,000
Moundbuilders	<u>238,344</u>	-	-	<u>238,344</u>
	<u>\$363,344</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$363,344</u>

B. Effective April 21, 2004, the Executor Director of the Board resigned.

**COMMUNITY MENTAL HEALTH AND RECOVERY BOARD
LICKING AND KNOX COUNTIES**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2003**

Federal Grantor / Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Expenditures
<u>U.S. DEPARTMENT OF EDUCATION</u>			
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Safe and Drug-Free Schools and Communities State Grant	DFSCA-P-03	84.186	\$ 59,594
Total U.S. Department of Education			<u>59,594</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Substance Abuse and Mental Health Services Administration Grant		93.230	261,280
<i>Passed Through Ohio Department of Mental Health:</i>			
Social Services Block Grant	MH-26-03	93.667	99,486
Medical Assistance Program	MC-26-03	93.778	3,101,989
Block Grants for Community Mental Health Services	BG-26-03	93.958	158,339
<i>Passed Through Ohio Department of Alcohol and Drug Addiction Services:</i>			
Medical Assistance Program	MC-26-03	93.778	326,212
Block Grant for Prevention and Treatment of Substantive Abuse	P-03 & T-03	93.959	<u>879,286</u>
Total U.S. Department of Health and Human Services			<u>4,826,592</u>
Total Expenditures of Federal Awards			<u>\$ 4,886,186</u>

The accompanying notes to this schedule are an integral part of this schedule.

**COMMUNITY MENTAL HEALTH AND RECOVERY BOARD
LICKING AND KNOX COUNTIES**

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2003**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the Board's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - SUBRECIPIENTS

The Board passes through certain Federal assistance received from the Ohio Department of Alcohol & Drug Addiction Services and the Ohio Department of Mental Health to other governments or not-for-profit agencies (subrecipients). As described in Note A, the Board records expenditures of Federal awards to subrecipients when paid in cash.

The subrecipient agencies have certain compliance responsibilities related to administering these Federal Programs. Under Federal Circular A-133, the Board is responsible for monitoring subrecipients to help assure that Federal awards are used for authorized purposes in compliance with laws, regulations and the provisions of contracts or grant agreements, and that performance goals are achieved.

NOTE C - MATCHING REQUIREMENTS

Certain Federal programs require that the Board contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Board has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY
GOVERNMENT AUDITING STANDARDS**

Board Members
Community Mental Health and Recovery Board
Licking and Knox Counties
1435-B West Main Street
Newark, Ohio 43055

We have audited the financial statements of the Community Mental Health and Recovery Board, Licking and Knox Counties, Ohio (the Board) as of and for the year ended December 31, 2003, and have issued our report thereon dated April 26, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of the finance committee, management, the Board, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Wilson, Shannon & Snow, Inc.

April 26, 2004
Newark, Ohio

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board Members
Community Mental Health and Recovery Board
Licking and Knox Counties
1435-B West Main Street
Newark, Ohio 43055

Compliance

We have audited the compliance of the Community Mental Health and Recovery Board, Licking and Knox Counties, Ohio (the Board) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2003. The Board's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the Board's management. Our responsibility is to express an opinion on the Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Board's compliance with those requirements.

In our opinion, the Board complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended December 31, 2003.

Internal Control Over Compliance

The management of the Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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Community Mental Health and Recovery Board
Report on Compliance With Requirements Applicable to Each Major
Federal Program and Internal Control Over Compliance
In Accordance With OMB Circular A-133
Page 2

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that are considered to be material weaknesses.

This report is intended for the information and use of the finance committee, management, the Board, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

William Sherman E. Snow, Jr.

April 26, 2004
Newark, Ohio

**COMMUNITY MENTAL HEALTH AND RECOVERY BOARD
LICKING AND KNOX COUNTIES**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
DECEMBER 31, 2003**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under §.510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Medical Assistance Program - CFDA # 93.778
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS FOR FEDERAL AWARDS

None

**COMMUNITY MENTAL HEALTH AND RECOVERY BOARD
LICKING AND KNOX COUNTIES**

**SCHEDULE OF PRIOR AUDIT FINDINGS
OMB CIRCULAR A-133 § .315 (b)**

<u>Finding Number</u>	<u>Finding Summary</u>	<u>Fully Corrected</u>	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No <u>Longer Valid</u> ; <i>Explain:</i>
2002-001	Loans to Provider Agencies	Yes	Repayment plan implemented in 2004.
2002-002	Timely Payment Remittance – Cash Management	Yes	In 2003, the Board contracted with a billing service to process claims for agency billings, thereby ensuring payment within the 30 day period.



**Auditor of State
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COMMUNITY MENTAL HEALTH AND RECOVERY BOARD OF LICKING AND KNOX COUNTIES

LICKING COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 17, 2004**